**Template Language for Memorandum of Understanding between Duals Demonstration Health Plans and County Behavioral Health Department(s)**

*Updated Draft February 14, 2013*

In the duals demonstration, participating health plans will be responsible for providing enrollees access to all medically necessary behavioral health services (mental health and substance use disorder treatment) currently covered by Medicare and Medicaid. While all Medicare-covered behavioral health services will be the responsibility of the health plans under the demonstration and included in their capitation payment, Medi-Cal specialty mental health services not covered by Medicare and Drug Medi-Cal benefits will not be included in the capitation payment made to the participating health plans (i.e. they will be "carved out). Demonstration plans will coordinate with county agencies to ensure enrollees have seamless access to these services.

The state requires that participating health plans execute Memoranda of Understanding (MOUs) with their local county Mental Health Plan (MHP) and the county department responsible for alcohol and drug services (if the entities are separate) for the demonstration enrollees who meet the medical necessity criteria for Medi-Cal Specialty Mental Health or Drug Medi-Cal Services.

MOUs must be created or amended to include at least the following concepts specific to the demonstration:

1) Delineation of roles and responsibilities;
2) Policies and procedures for sharing information;
3) Policies and procedures for care coordination; and
4) Agreement on the specifically described Shared Accountability performance measures and financial incentives tied to achieving the quality withhold (these measures will be finalized and included in the three-way contracts between DCHS, CMS, and the health plans.)

This document contains optional language that duals demonstration health plans and county MHPs and the county department responsible for alcohol and drug services may use to update their existing MOUs (or create one in the case one does not exist). This addendum pertains to beneficiaries participating in the Demonstration who also receive Medi-Cal specialty mental health and/or Drug Medi-Cal services.

During the health plan readiness assessments conducted prior to implementation, basic policies and procedures will be required for plan participation. Per one proposed quality withhold measure, these policies and procedures will need to be revised and expanded by 12/31/13 to reflect additional details related to behavioral health care coordination, including assessment, referrals, information exchange, care coordination and authorization of services.

## 1. PARTIES

This (or addendum to existing MOU) is entered into by and between the [INSERT DEMOSNTRATION HEALTH PLAN NAME] hereinafter referred to as "PLAN", and the [INSERT COUNTY NAME] department responsible for the provision of Medi-Cal specialty mental health and/or Drug Medi-Cal services (if separate) hereinafter referred to as "COUNTY."

## 2. TERMS

This memorandum shall commence on September 1, 2013 and shall continue through December 2016.

## 3. TASKS, RESPONSIBILITIES AND/OR OBLIGATIONS

**A. Roles and Responsibilities**

1. Covered Services are listed in the "Behavioral Health Benefits in the Duals Demonstration" matrix developed by DHCS. PARTIES may include this matrix as an attachment to this MOU addendum.

2. Determination of Medical Necessity

    a. The PLAN and COUNTY will follow the medical necessity criteria for Medi-Cal specialty mental health 1915(b) waiver services described in Title 9, California Code of Regulations (CCR), Sections 1820.205, 1830.205, and 1830.210.

    b. To determine medical necessity for Drug Medi-Cal Substance Abuse Services, the PARTIES will follow Title 22, California Code of Regulations Section 51303. Services shall be prescribed by a physician, and are subject to utilization controls, as set forth in Title 22 Section 51159.

3. Assessment Process

    The PLAN and COUNTY shall develop and agree to written policies and procedures regarding agreed-upon screening and assessment processes that comply with all federal and state requirements including the Care Coordination Standards and Behavioral Health Coordination Standards.

4. Referrals

    a. The PLAN and COUNTY shall develop and agree to written policies and procedures regarding referral processes, including the following:

        i. The COUNTY will accept referrals from PLAN staff, providers and members' self-referral for determination of medical necessity.

        ii. The PLAN will accept referrals from the COUNTY when the service needed is one provided by the PLAN and not the COUNTY and the beneficiary does not meet the Medi-Cal specialty mental health and/or Drug Medi-Cal medical necessity criteria.

5. Authorization of Services

    The PLAN will work with the COUNTY to determine if authorization of Medicare-covered behavioral health services is required. Any Medicare treatment authorization decisions will be made as expeditiously and as timely as the beneficiary's condition requires.

6. Provider Credentialing

    The COUNTY will provide verification of professional licensure, the National Provider Identifier (NPI), and other information as needed to confirm COUNTY and its contractors are Medicare eligible and certified providers eligible providers.

7. Payment Mechanism

    The reimbursement mechanism between COUNTY and PLAN shall be determined locally and agreed upon by both parties, as specified in this MOU addendum and subject to federal timeliness and other requirements.

The PLAN shall reimburse the COUNTY for Medicare-covered mental health services rendered by the COUNTY.

The COUNTY will recover the federal Medi-Cal reimbursement for Medi-Cal specialty mental health services after receiving the PLAN'S payment consistent with the provisions of the demonstration and the current Medi-Cal specialty mental health 1915(b) waiver and California' Medicaid State Plan.

The PLAN shall provide information necessary for coordination of benefits in order for the COUNTY to obtain appropriate reimbursement under the Medi-Cal program.

8. Rates

   The PLAN shall provide the COUNTY with payment for authorized medically necessary rendered services covered by Medicare at the most current published Medicare rates.

9. Dispute Resolution Process

   The PLAN and COUNTY agree to follow the resolution of dispute process in accordance to Title 9, Section 1850.505, and the contract between the PLAN and the State Department of Health Care Services (DHCS) and Centers for Medicare & Medicaid Services (CMS).

10. Telephone Access

    The PLAN is responsible for maintaining a telephone line to answer Member inquiries about services. The COUNTY is responsible for maintaining a 24-7 crisis line with a live person available to assess the need for urgent or emergency services.

**B. Information Exchange**

1. COUNTY and PLAN will develop and agree to Information sharing policies and procedures that include milestones over the three years and agreed upon roles and responsibilities for sharing personal health information (PHI) for the purposes of medical and behavioral health care coordination pursuant to Title 9, CCR, Section 1810.370(a)(3) and other pertinent state and federal laws and regulations, including the Health Insurance Portability and Accountability Act and 42 CFR part 2, governing the confidentiality of mental health , alcohol and drug treatment information. These policies and procedures shall be attached to the MOU by 12/31/13.

2. The PLAN will create a list of demonstration enrollees who are receiving Medi-Cal specialty mental health and/or Drug Medi-Cal services to track their care coordination and service delivery to the extent possible under state and federal privacy laws.

**C. Care Coordination**

The PLAN and COUNTY will develop and agree to policies and procedures for coordinating medical and behavioral health care for beneficiaries enrolled in the PLAN and receiving Medi-Cal specialty mental health or Drug Medi-Cal services through the COUNTY that may include the following. These policies and procedures shall be attached to the MOU by 12/31/13.

1. An identified point of contact from each PARTY who will initiate and maintain ongoing care coordination, including agreement on who has primary responsibility for care planning.

2. COUNTY will participate in Interdisciplinary Care Teams (ICTs) for members receiving county-administered services and identified as needing an ICT, in accordance with a beneficiary's decisions about appropriate involvement of providers and caregivers on the ICT.

3. The COUNTY would request participation from the PLAN in developing behavioral health care plans.

4. The PLAN will have a process for reviewing and updating the care plan as clinically indicated, such as following a hospitalization, significant change in health or wellbeing, change in level of care or request for change of providers, and for coordinating with the COUNTY behavioral health providers, when necessary.

5. The PLAN will have regular meetings (at least quarterly) to review the care coordination process, such as the effectiveness of exchange of patient health information.

6. The PLAN will coordinated with the COUNTY to perform on an annual review, analysis and evaluation of the effectiveness of the care management program to identify actions to implement and improve the quality of care and delivery of services.

**D. Shared Accountability**

Shared Accountability between the PLAN and COUNTY aims to promote care coordination. Shared accountability builds on the performance-based withhold of 1%, 2%, and 3% in the capitation rates respectively for years one, two and three of the demonstration. By meeting specified quality measures, the PLAN can earn back the withheld capitation revenue by meeting specified quality objectives. Under this Shared Accountability strategy, one withhold measure each year will be tied to behavioral health coordination with the COUNTY.

1. The PLAN and COUNTY agree to the Shared Accountability Performance Metrics, as specified in the three-way contracts between CMS, DHCS and the PLAN. These measures will be updated upon confirmation, but generally include:

   a. Year 1 (6/1/13 - 12/31/14):

      ii. Execution of the MOU or MOU amendment prior to the launch of the demonstration;

      iii. Evidence of revised written policies and procedures for assessments, referrals, coordinated care planning, and information exchange to reflect inclusion of behavioral health coordination in the demonstration. Information sharing policies and procedures should include milestones for increased sharing over the three years, and also include a process for identifying and tracking of demonstration enrollees who receive behavioral health services through the COUNTY.

      iv. [Specified] percent of demonstration enrollees identified as receiving Medi-Cal specialty mental health and/or Drug Medi-Cal services who have individual care plans that include evidence of collaboration with the primary

behavioral health provider at the county, indicating that care is being coordinated between the PARTIES.

b. Year 2 (1/1/15-12/31/16): [Specified] percent reduction from the baseline in emergency department (ED) visits for beneficiaries with serious mental illness or indication of need for substance use treatment. (Further development of exact specifications for the measure will be reflected in three-way contracts).

c. Year 3 (1/1/16-12/31/16): [Specified] percent reduction (greater than Year 2) from the baseline in ED visits for beneficiaries with serious mental illness or indication of need for substance use treatment.

2. The PLAN and COUNTY agree that if the specified shared accountability measure is met in each year, the PLAN will provide an incentive payment to the COUNTY under mutually agreeable terms. This payment will be structured in a way so it does not offset the county's Certified Public Expenditure (CPE).

**1. Provider and Member Education**

The PLAN and COUNTY will develop, in coordination with one another, education materials and programs for their members and providers about the availability of behavioral health services, including roles and responsibilities in the demonstration and care coordination policies and procedures. At a minimum, education will include initial and regularly scheduled provider trainings (at least annually), and a provider manual that includes information regarding access to services, the beneficiary problem resolution processes, authorization process, provider cultural and linguistic requirements, regulatory and contractual requirements, and other activities and services needed to assist beneficiaries in optimizing their health status, including assistance with self-management skills or techniques, health education and other modalities to improve health status.